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Agricultural Trade Office Activities

Agriculture in the News

Beverages

Coffee

Food Service - Hotel Restaurant Institutional

Retail Foods

Wine

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Report Highlights:

Sake cocktails and premium convenient store coffee are tasty and trendy in this month's Japan Food Trends.

Japan Food Trends (JFT) communicates Japanese food and lifestyle trends that may help U.S. exporters to generate product and marketing ideas.

General Information:

"Developing a Taste for Sake Cocktails"

The Japan Times, Food: Kanpai Culture, August 10, 2012 http://www.japantimes.co.jp/text/fg20120810mj.html

Sake cocktails are popular in Japan. An example is the Sakenic (Sake Tonic) that is made with sake, soda, and tonic water. These new styles of cocktails are popular because they are smooth and not too dry, making it attractive to women and consumers who want to enjoy a refreshing drink. Expert Gen Yamamoto explains that sake and shochu cocktails have advantages when made with fresh fruits and vegetables. Fruits and vegetables have a delicate taste that doesn't work as well with higher percent alcohols.



Source: http://www.flickr.com/photos/sweeteats/5046157222/
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Sophisticated sake cocktails are a new and growing trend in Japan. The drink is popular enough that sake cocktails only bars have appeared, such as the Sake Hall Hibiya Bar, a sleek establishment in Ginza, Tokyo. The Sake Hall Hibiya Bar prepares fruity sake cocktails designed for novice sake cocktail customers. Feedback from consumers and bartenders has been highly positive and future growth for sake cocktails is expected.

Note from the Editor:

The idea behind sake cocktails has been presented before, but it is a new drink trend in Japan and a great way to enjoy sake. With different sake styles, all types of people can enjoy a wide range of sake cocktails and help spread interest in sake cocktails.

"Nissin Foods' Cup Noodle Turns Into New Rice Balls"

The Nikkei Weekly, hardcopy: August 4, 2012 & The Asahi Shimbun (Japanese) http://www.asahi.com/business/update/0811/TKY201208110276.html

Nissin Foods Holding Company, the world famous maker of Cup of Noodles and Chicken instant ramen are looking to expand their product horizons. Crossing two Japanese fast-food staples, Nissin has developed a

frozen *onigiri* (rice ball) that tastes like their two famous noodle products.



Source: The Nikkei Weekly,
Photo is a web capture for explanatory purposes, copyright belongs to the company.

Sales began on September 1 in and the company expects to sell \$1 billion (\$12.5 million / current exchange rate of \$1=\$80) worth in the remainder of fiscal 2012. The target market is the 20 to 30 year old consumers and will be priced around \$70 per serving (1 rice ball = 1 serving).

Note from the Editor:

Convenient and on-the-go foods such as *onigiri*, noodles, sandwiches, etc have always been popular. It makes perfect sense for Nissin to expand into this market and with their strength in noodles and ability to recreate a similar taste and flavor for their *onigiri* is sure to appeal to consumers.

"Suntory to Enhance Low-Alcohol Brands for Younger Set"

The Nikkei Weekly, hardcopy: August 7, 2012

Suntory, one of the major Japanese brewers released new low-alcohol beverages. Young consumers have voiced a demand for low-alcohol products as they want to drink lighter drinks. In 2011 Japan saw the rise of 0% alcohol beers and then 0% chu-hi in early 2012, now the low-alcohol trend has moved along the product line to wines.



Source: http://www.suntory.co.jp/rtd/horoyoi/product/

Photo is a web capture for explanatory purposes, copyright belongs to the company.

Suntory released plum, white, and red wine varieties to meet consumer demand. The alcohol content was reduced from the typical 14% to 3%.

Note from the Editor:

I have seen the advertisements for 0% beers and chu-hi here in Japan, but didn't know about low percentage wines until recently. This article highlights the trend in Japan by consumers across all demographics to purchase low or zero alcohol beverages.

"The World's Healthiest Countries"

Bloomberg: Business Week, August 16, 2012

http://www.bloomberg.com/slideshow/2012-08-13/world-s-healthiest-countries.html & http://images.businessweek.com/bloomberg/pdfs/WORLDS HEALTHIEST COUNTRIES.pdf

Bloomberg reported on the healthiest countries in the world based on data provided by the UN, World Bank, and World Health Organization. Japan ranked number 5 in the survey results behind Singapore, Italy, Australia, and Switzerland. Various factors (health and risk) were taken into account such as: life expectancy, diet, percentage of drinkers, blood cholesterol, smokers, air pollution, and others. The health grade of Japan was 86.83 and helps showcase the healthy nature of the Japanese as society and as consumers with their preferences and lifestyle choices.

Note from the Editor:

Japan has long been considered one of the healthiest countries; their life expectancy is one of the highest in the world and their diet of vegetables and fish is often cited as one of the reasons.

"Useful and Good Everyday Value"

The Nikkei Marketing Journal, hardcopy: August 10, 2012 (Japanese)

The premium coffee market in Japan is growing more competitive. Established chains like Starbucks and Tully's market share is being encroached by convenience stores as they seek to expand. Natural Lawson, a premium convenience store currently has 1,600 coffee machines throughout their store locations and is looking to increase that number to 2,500 by next year. Natural Lawson has quality brand coffee and offers low prices. A Tokyo location that has Lawson and Starbucks in the same building shows 550 coffee purchases at Lawson in comparison to 250 at Starbucks per day.

Other convenience stores are following this model, hoping to increase sales of coffee. Circle K Sunkus plans to have 6000 machines in their stores by the end of August. Family mart is increasing their branded coffee to over 8000 locations. And over the summer 7/11 Japan has started experimenting in Hokkaido with new coffee machines. Convenience stores are hoping to expand the total number of stores that serve coffee from 12,000 to

20,000 by the end of the year.

The reason convenience stores are keen to offer coffee is that consumers like the lower prices, the convenient locations (near their office or on their way to work), and the ability to purchase food or sweets at the same time. Lawson has been able to retain customers by also giving 30 yen discounts for using their Ponta point card, which helps to build loyalty. Convenience stores hope to increase single store sales to 25-100 coffees per day and if they are able to do so, then total sales across all stores are valued at 50 billion yen.

Note from the Editor:

Convenience stores in Japan have always been extremely useful, offering a wide range of products for consumers. As they approach 50,000 total stores, convenience stores have been looking to branch out into new markets and coffee is one of the best. Here in Japan I see workers, students, travelers everyday going to get coffee, breakfast, or a snack and being able to do everything at one place is a huge benefit.